

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03
INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02
LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04 CEA-01 L-03
/083 W

-----040419Z 007754 /67

R 031921Z MAR 77
FM AMEMBASSY PARIS
TO SECSTATE WASHDC 0247

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PASS TREASURY

E.O. 11652: N/A
TAGS: EFIN
SUBJECT: FRENCH EXTERNAL BORROWING IN U.S. COMMERCIAL
PAPER AND EUROCURRENCY FLOATING RATE ISSUES

1. ACCORDING TO WELL INFORMED SOURCES FRENCH BORROWINGS
IN U.S. COMMERCIAL PAPER MARKET ARE IN EXCESS OF \$1
BILLION, DOMINATED BY ELECTRICITE DE FRANCE. SUCH
BORROWINGS ARE BASED ON EUROCURRENCY BORROWINGS
WHICH CAN BE USED EITHER AS MEDIUM TERM LOANS OR
ELSE AS BACKSTOP FOR COMMERCIAL PAPER BORROWING IN U.S.
SPREAD BETWEEN EUROCURRENCY LIBOR RATES, ABOUT 5 AND
L/8 PLUS 7/8 AND U.S. COMMERCIAL PAPER MARKET
RATES OF 4 AND 3/4 TO 7/8 PLUS 3/8
COMMITMENT FEE FOR THE EUROCURRENCY BACKUP CREDIT
FAVOR COMMERCIAL PAPER MARKET AT THE PRESENT TIME.
CAISSE NATIONAL DE TELECOMMUNICATIONS IS A MORE
RECENT ENTRY INTO THIS MARKET. ELECTRICITE DE FRANCE
BEGAN COMMERCIAL PAPER OPERATIONS IN 1974.

2. EUROCURRENCY FLOATING RATE BOND ISSUES BY FRENCH
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BANKS, A KIND OF VARIANT ON CERTIFICATES OF DEPOSIT WHICH
FRENCH BANKS STILL CANNOT ISSUE, ACCOUNTED FOR BETWEEN
500 AND 750 MILLION DOLLARS IN 1976. THESE MEDIUM-
TERM BONDS HAVE BEEN ISSUED BY ALL MAJOR FRENCH BANKS.
SINCE FRENCH RESIDENTS CAN PURCHASE FOREIGN SECURITIES
PROBABLY SOME OF THE PROCEEDS OF THESE ISSUES
ORIGINATED IN FRANCE.

3. ACCORDING TO LOCAL SOURCES FOREIGN GOVERNMENTS,
MAINLY OPEC, ARE IMPORTANT SUBSCRIBERS TO BOTH FRENCH
COMMERCIAL PAPER AND FRENCH BANK FLOATING RATE BOND
ISSUES.

RUSH

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REPORTS, LOANS, INTEREST RATES, CURRENCIES
Control Number: n/a
Copy: SINGLE
Sent Date: 03-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977PARIS06345
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770074-0610
Format: TEL
From: PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770397/aaaadhkq.tel
Line Count: 68
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: f00b38be-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 03-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3219373
Secure: OPEN
Status: NATIVE
Subject: FRENCH EXTERNAL BORROWING IN U.S. COMMERCIAL PAPER AND EURO CURRENCY FLOATING RATE ISSUES
TAGS: EFIN, US, FR
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/f00b38be-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009